



COMMONWEALTH OF MASSACHUSETTS

Office of Consumer Affairs and Business Regulation DIVISION OF BANKS

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December 14, 2021

INDUSTRY REMINDER

REVERSE MORTGAGE COUNSELING IN MASSACHUSETTS: IN PERSON REQUIREMENT TO RESUME EFFECTIVE DECEMBER 15, 2021

Background: Following Governor Baker's declaration of a State of Emergency on March 10, 2020, he subsequently signed into law Chapter 65 of the Acts of 2020 (Chapter 65), which, in part, provided for certain modifications to the in-person counseling requirements for reverse mortgage loan mortgagors¹ set forth in M.G.L. Chapter 167E, Section 7A, and M.G.L. c. 171, s. 65C1/2.

Under the relevant provision in Chapter 65, the in-person counseling requirement under M.G.L. c. 167E, s. 7A and M.G.L. c. 171, s. 65C½ could be met by synchronous, real-time video conference or telephone in lieu of the in-person requirement. In short, Chapter 65 provides that counseling for reverse mortgages may be conducted via one of the following three options: (1) in-person, (2) by synchronous, real-time video conference, or (3) by telephone. This change was in effect only from April 20, 2020, until the end of the State of Emergency on June 15, 2021. On June 16, 2021, Governor Baker signed into law Chapter 20 of the Acts of 2021 which further extended this provision until December 15, 2021.

Therefore, the suspension of the in-person reverse mortgage counseling requirement, that could be met by alternative means, (synchronous, real-time video conference or telephone in lieu of the in-person requirement), will end as of **December 15, 2021**.

IN PERSON REVERSE MORTGAGE COUNSELING SHALL BE REQUIRED FOR REVERSE MORTGAGE LOANS ORIGINATED (DATE OF APPLICATION) BEGINNING DECEMBER 15, 2021.

In addition, the below GUIDANCE issued by the Division of Banks on April 27, 2020, as linked, will terminate effective December 15, 2021. The in-person requirement will be back in effect for reverse mortgage loans originated from December 15, 2021.

<https://www.mass.gov/doc/industry-guidance-relative-to-compliance-with-reverse-mortgage-counseling-requirements-under/download>

¹ "Mortgagor", an applicant for a reverse mortgage who: (1) has a gross income of less than 50 percent of the area median income, as periodically determined by the United States Department of Housing and Urban Development; and (2) possesses assets, excluding a primary residence, valued at less than \$120,000.

Please contact Kevin Cuff of the Division's Non-Depository Institution Supervision Section at the above address, at 617-956-1500, extension 61539, or by email at Kevin.Cuff@mass.gov if you have any questions.

Sincerely,

A handwritten signature in blue ink, reading "Mary L. Gallagher". The signature is fluid and cursive, with the first name "Mary" and last name "Gallagher" clearly legible.

Mary L. Gallagher
Commissioner of Banks